

U.S. House and Senate Notification
Tuesday, August 17, 2010

To: Congressional Health Staff

From: Amy Hall
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Subject: Guidance on States' Access to HIT Incentive Payment Administrative Match

Today, the Centers for Medicare & Medicaid Services (CMS) released a State Medicaid Director (SMD) letter regarding implementation of the HITECH Act as included in the American Recovery and Reinvestment Act of 2009 (Recovery Act) in Section 4201. This letter provides information about how States can qualify for a 90 percent Federal financial participation (FFP) for efforts relating to administering the program.

The Recovery Act provides 100 percent FFP to States for incentive payments to eligible Medicaid providers to adopt, implement, upgrade, and meaningfully use certified EHR technology and 90 percent FFP for State administrative expenses related to the program. As CMS has recently published final regulations, the SMD provides more detailed guidance from CMS on the expectations relating to the activities and potential uses of the 90 percent FFP for State administrative expenses.

All SMD letters may be found on the CMS website at
<http://www.cms.gov/SMDL/SMD/list.asp>.

If you have questions about this notification, please contact the CMS Office of Legislation.

Thank you.